

Regular Session, 2010

SENATE BILL NO. 785

BY SENATOR QUINN

COMMERCIAL REGULATIONS. Defines "conspicuous statement" for purposes of accord and satisfaction of a claim by use of a negotiable instrument. (8/15/10)

AN ACT

To amend and reenact R.S. 10:3-311(b), relative to negotiable instruments; to provide for accord and satisfaction by use of an instrument; to define the term "conspicuous statement"; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 10:3-311(b) is hereby amended and reenacted to read as follows:

§3-311. Accord and satisfaction by use of instrument

* * *

(b) Unless Subsection (c) applies, the claim is discharged if the person against whom the claim is asserted proves that the instrument or an accompanying written communication contained a conspicuous statement to the effect that the instrument was tendered as full satisfaction of the claim. **For the purposes of this Section, "conspicuous statement" means a statement in no less than ten point font directly above the endorsement section of the instrument and in a separate bolded paragraph in an accompanying written communication, containing the following statement: "EXECUTION OF THIS INSTRUMENT FULLY DISCHARGES THE RELATED CLAIM AGAINST ISSUER."**

The original instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Alan Miller.

DIGEST

Present law provides that under certain circumstances, a claim is discharged if the person against whom the claim is asserted proves that the instrument or an accompanying written communication contained a conspicuous statement to the effect that the instrument was tendered as full satisfaction of the claim.

Proposed law retains present law and defines the term "conspicuous statement" as a statement in no less than ten point font directly above the endorsement section of the instrument and in a separate bolded paragraph in an accompanying written communication, containing the following statement: "EXECUTION OF THIS INSTRUMENT FULLY DISCHARGES THE RELATED CLAIM AGAINST ISSUER."

Effective August 15, 2010.

(Amends R.S. 10:3-311(b))